

through energy efficiency and the projected durability of such savings measured over time; and shall treat demand and supply resources on a consistent and integrated basis.

Least-cost option means an option for providing reliable electric services to electric consumers which will, to the extent practicable, minimize life-cycle system costs, including adverse environmental effects, of providing such service. To the extent practicable, energy efficiency and renewable resources may be given priority in any least-cost option.

Long-term firm power contract means any contract with Western for the sale of firm capacity, with or without energy, which is to be delivered over a period of more than 1 year. This term includes contracts for the long-term sale of power from the Boulder Canyon Project.

Member-Based Association or *MBA* means:

- (1) An entity composed of utilities or user members; or
- (2) An entity which acts as an agent for, or subcontracts with, but does not assume power supply responsibility for its principals or subcontractors, who are its members.

Small customer means a customer with total annual sales or usage of 25 GWh or less, as averaged over the previous 5 years, which is not a member of a joint action agency or a generation and transmission (G&T) cooperative with power supply responsibility, and that Western finds has limited economic, managerial, and resource capability to conduct integrated resource planning.

Western means the Western Area Power Administration.

Subpart B—Integrated Resource Planning

§ 905.10 Applicability.

(a) Each customer of Western must address its power resource needs in an IRP prepared and submitted to Western as provided herein, except for:

- (1) Those meeting the criteria for a small customer as detailed in § 905.14 this part; and
- (2) State-regulated, investor-owned utilities.

(b) Nothing in these regulations shall require a customer to take any action inconsistent with a requirement imposed by the Rural Utilities Service or a state utility commission which receives IRP filings from that customer.

§ 905.11 Integrated resource plan contents.

(a) An integrated resource plan should support customer-developed goals and schedules. The plan should evaluate the full range of practicable alternatives for energy resources, and include:

(1) An assessment of resources on an equitable basis, where supply-side, demand-side, and renewable resources are compared on a fair and accurate basis to determine an appropriate low-cost resource portfolio, and

(2) An integration of all options in a comprehensive manner.

(b) IRPs must consider electrical energy resource needs and may consider, at the customer's option, water, natural gas, and other energy resources. Each IRP submitted to Western must satisfy the following requirements of section 114 of EPAct:

(1) Identification and Comparison of All Practicable Energy Efficiency and Energy Supply Resource Options. This is an assessment and comparison of existing and future supply- and demand-side resource options available to a customer based upon its size, type, resource needs, geographic area, and competitive situation. Identification of resource options evaluated by the specific customer, or members in the case of IRP cooperatives or MBAs, must be provided. The options evaluated should relate to the resource situation unique to each Western customer as determined by profile data (such as service area, geographical characteristics, customer mix, historical loads, projected growth, existing system data, rates, and financial information) and load forecasts.

(i) Supply-side options include, but are not limited to, purchased power contracts, conventional or renewable generation options.

(ii) Demand-side options alter the customer's use pattern in a manner that provides for an improved combination of energy services at least cost to